SOUTHWEST STONE INC.

51015/0094 cc: Lynn Task: 5520 5 445

July 31, 2013

AUG 0 2 2013

DIV. OF OIL, GAS & MINING

Lynn Kunzler

State of Utah

Department Of Natural Resources

Division of Oil, Gas and Mining

Dear Mr. Kunzler,

I am writing in response to the Proposed Assessment letters I received from you in regards to the Reef Mine. Order #MC-2013-42-01, and MC-2013-42-06. I would like to appeal the proposed penalties, but would also like to discuss the fact of violations. Please advise me as soon as possible in regards to this matter.

Sincerely,

Jeff Sagers

Corporate Office: 2421 West 350 North Hurricane, Utah 84737

Phone: 435-635-2601 Fax: 435-635-2694